

**MINUTES OF REGULAR SESSION
HIGHLAND CITY COUNCIL
MONDAY, MARCH 16, 2015**

Mayor pro tem Frey called the Regular Session to order at 7:00pm. Council members Schwarz, Frey, Bellm and Nicolaides were present. Mayor Michaelis were absent. Others in attendance were City Manager Mark Latham, City Attorney John Long; Directors Cook, Imming, Korte, Peck, and Schoeck; Police Chief Bell, Sergeant Steinbeck, Fire Chief Bloemker, EMS Coordinator Rusteberg, Library Director Kim, Treasurer Foehner, Deputy City Clerk Hediger, City Clerk Bellm; 7 citizens, and one member of the news media.

PUBLIC MEETING

Mayor pro temp Frey opened the public meeting for comment on the city's proposed application for Community Development Block Grant funds from Madison County. If granted, the city intends to use the funds for sidewalk and/or sidewalk ramp improvements within the eligible area. With no one coming forward to comment, the public meeting was closed.

MINUTES

Councilman Schwarz made a motion to approve the minutes of the March 2, 2015 Regular Session as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bellm, Nicolaides, and Frey voted aye, none nay. Motion carried.

PUBLIC FORUM

Citizens' Requests and Comments:

Memorial Day Parade and Band Funding Request – James K. Hobbs, Adjutant, American Legion Post 439, stated the parade is being planned for Monday, May 25, 2015 at 1:00pm. We will start from the high school parking lot on Troxler Avenue and proceed east to Veterans Honor Parkway, where we will continue to the new park, Rinderer Park. I have turned in the certificate of insurances for IDOT and City of Highland. Councilwoman Bellm made a motion to approve the Memorial Day Parade, the route and a donation of \$200 towards the cost of the high school marching band; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Frey, Bellm and Nicolaides voted aye, none nay. Motion carried.

Highland Jaycees 2015 Schweizerfest Request – Amber Eilers and Joe Horstman were present to request permission to hold the Schweizerfest, June 12, 13 & 14, 2015. Miss Eilers requested to begin the event at 7:00pm on Friday, June 12. We are proposing closure around of parking on the inside parameter of the Square beginning at 2:00pm and closure of Broadway, from Washington to Laurel Street, at

1:30pm about that time to allow for the rides and vendors to set up. Councilman Nicolaides asked if IDOT would be okay with the times of closure. Deputy City Clerk Hediger responded we would submit a resolution to IDOT for those times. They have never denied or expressed an issue with any closure before. Councilman Schwarz made a motion to approve the Jaycees' request for street closure June 12- June 14, 2015 as requested; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bellm, Nicolaides and Frey voted aye, none nay. Motion carried.

Councilwoman Bellm made a motion to approve request of \$500 to offset the cost of the Ainad Drum and Bugle Corp for the parade for one day; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Bellm, Nicolaides and Frey voted aye, none nay. Motion carried.

Highland High School Band Program – Spring Band Concert Square Use Request – Beth Guse, Representative and HBPA President, requested permission for the band to use the Square, gazebo and those facilities, on April 28, to hold their Spring Band Concert. Setup will begin at 3:45pm, and we should be done with clean up around 9:30pm. She specifically stated we will need use of the restroom as well as lighting, sound system and electrical for the evening. Councilwoman Bellm made a motion to approve the high school band program's request for use of the gazebo on April 28 for Spring Concert; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Bellm, Nicolaides and Frey voted aye, none nay. Motion carried.

Highland Band Parents' Association – Cow Pie Bingo Square Use Request – Beth Guse, President of Highland Band Parents' Association, requested permission for the group to hold Cow Pie Bingo on the Square, on Thursday, September 15, from 5pm-7:30pm. To prepare for the event, we will need to begin setup mid-morning. Once again, we will need access to the bathroom facilities. Councilman Schwarz made a motion to approve the request for use of the Square for Cow Pie Bing and bathrooms, on Thursday, September 15, as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bellm, Nicolaides, and Frey voted aye, none nay. Motion carried.

Requests of Council:

No requests or comments provided.

Staff Reports:

City Manager Latham reported we received confirmation that the Sportsman Road and Troxler Lane Improvements will both be on the bid docket for April 29, 2015.

NEW BUSINESS

Approve Mayor's Appointment to the Combined Planning & Zoning Board – Councilwoman Bellm made a motion to approve the mayor's appointment of Timothy J. Weiss to the Combined Planning & Zoning Board for the remainder of the term vacated by Leo Painter, to expire August 31, 2015, as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Bellm, Nicolaides and Frey voted aye, none nay. Motion carried.

Bill #15-29/ORDINANCE Approving the Rezoning of Property at 12291 U.S. Highway 40 from "R1C" Single-Family Residential to "I" Industrial – Councilman Schwarz made a motion to approve Bill #15-29/Ordinance #2674 approving the rezoning of property at 12291 U.S. Highway 40 from "R1C" Single-Family Residential to "I" Industrial as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bellm, Nicolaides and Frey voted aye, none nay. Motion carried.

Bill #15-30/ORDINANCE Approving the Rezoning of Property at 850 Hemlock Street from

“R1C” Single-Family Residential to “I” Industrial – Councilwoman Bellm made a motion to approve Bill #15-30/Ordinance #2675 approving the rezoning of property at 850 Hemlock Street from “R1C” Single-Family Residential to “I” Industrial as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Bellm, Nicolaides and Frey voted aye, none nay. Motion carried.

Bill #15-31/RESOLUTION Requesting Road Closure for Memorial Day Biathlon – Councilman Schwarz made a motion to approve Bill #15-31/Resolution #15-03-2308 requesting road closure for Memorial Day Biathlon as attached; seconded by Councilman Nicolaides. Councilwoman Bellm motioned to amend to the fourth paragraph of the resolution to include the intersection at IL State Route 143 at its intersection with Troxler Avenue and Koepfli Lane; seconded Councilman Schwarz. Roll Call Vote to approve the amendment: Schwarz, Bellm, Nicolaides and Frey voted aye, none nay. Motion carried and proposed resolution amended. Roll Call Vote for approval of Bill #15-31/Resolution #15-03-2308 as amended: Schwarz, Bellm, Nicolaides and Frey voted aye, none nay. Motion carried.

Bill #15-32/RESOLUTION Requesting Road Closure for Memorial Day Parade – Councilman Schwarz made a motion to approve Bill #15-32/Resolution #15-03-2309 requesting Road Closure for Memorial Day Parade as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bellm, Nicolaides and Frey voted aye, none nay. Motion carried.

Bill #15-33/RESOLUTION Approving Application for Community Development Block Grant Funding from Madison County – Councilwoman Bellm made a motion to approve Bill #15-33/Resolution #15-03-2310 approving application for Community Development Block Grant Funding from Madison County as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Bellm, Nicolaides and Frey voted aye, none nay. Motion carried.

Bill #15-34/RESOLUTION Approving a Memorandum of Understanding with Missouri Network Alliance, LLC dba Bluebird Network, LLC, with Respect to a Collocation Agreement Supporting the Transition of Existing Customer-Provided Equipment to Bluebird-Provided Equipment – Councilman Schwarz made a motion to approve Bill #15-34/Resolution #15-03-2311 approving a memorandum of understanding with Missouri Network Alliance, LLC dba Bluebird Network, LLC, with respect to a collocation agreement supporting the transition of existing customer-provided equipment to Bluebird-Provided Equipment as attached; seconded by Councilwoman Bellm. Councilwoman Bellm asked for explanation of what this is about. IT Director Angela Imming explained it is a request to provide a local loop from our headend provider to Scott Credit Union. Scott Credit Union has requested a piece of equipment housed at their facility. Bluebird wants to use our headend to provide direct access to Scott Credit Union. This is the only customer that has asked for this. Councilwoman Bellm summarized they are getting service from HCS and this gives a backup feed. Councilman Nicolaides asked if they pay for it. City Attorney John Long responded Bluebird will be paying us for this ability. We will follow this up with a more detailed co-location agreement. Councilwoman Bellm noted this is helping one of our customers. Attorney Long concurred, adding (HCS Manager) Tracey Robinson feels this will be advantageous to us, because Bluebird will be able to monitor our facilities services with this equipment placed there. Director Imming agreed it is beneficial to HCS. Roll Call Vote: Schwarz, Bellm, Nicolaides and Frey voted aye, none nay. Motion carried.

Bill #15-35/RESOLUTION Approving Maintenance and Support Addendum with Fidelity Solutions, Inc., to Obtain IPTV Support during 2015 – Councilwoman Bellm made a motion to approve Bill #15-35/Resolution #15-03-2312 approving Maintenance and Support Addendum with Fidelity Solutions, Inc., to obtain IPTV support during 2015 as attached; seconded by Councilman Schwarz. Councilwoman Bellm asked what this is. Is Fidelity not the company that was providing telephone support, originally? Director Imming reported Fidelity provides us with technology support for HCS, primarily for some of the software. They are a “one-stop shop” for hardware/software connectivity. Councilwoman Bellm inquired

we are not using them for the phone though. City Manager Latham responded no. Roll Call Vote: Schwarz, Bellm, Nicolaides and Frey voted aye, none nay. Motion carried.

Bill #15-36/RESOLUTION Authorizing and Directing Application to the Madison County Sustainability Grant Program for the Purpose of Installing Rip-Rap in a Ditch Northeast of Silver Lake Park - Councilman Schwarz made a motion to approve Bill #15-36/Resolution #15-03-2313 authorizing and directing application to the Madison County Sustainability Grant Program for the purpose of installing rip-rap in a ditch northeast of Silver Lake Park as attached; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bellm, Nicolaides and Frey voted aye, none nay. Motion carried.

Bill #15-37/RESOLUTION Approving Amendment to Owner-Engineer Agreement with Hurst-Roche Engineers, Inc. – Councilwoman Bellm made a motion to approve Bill #15-37/Resolution #15-03-2314 approving amendment to Owner-Engineer Agreement with Hurst-Roche Engineers, Inc. as attached; seconded by Councilman Schwarz. Councilman Schwarz asked what happened to the normal engineering firm. City Manager Latham reported that we interviewed 4-5 firms for this project and Hurst-Roche was the most qualified for this project. Roll Call Vote: Schwarz, Bellm, Nicolaides and Frey voted aye, none nay. Motion carried.

REPORTS

Approve Warrants #979 & #980 – Councilwoman Bellm made a motion to approve Warrants #979 & #980 as attached; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Bellm, Nicolaides and Frey voted aye, none nay. Motion carried.

Councilwoman Bellm made a motion to recess before going into discussion of the budget; seconded by Councilman Schwarz. Roll Call Vote: Schwarz, Bellm, Nicolaides, and Frey voted aye, none nay. Motion carried and meeting temporarily adjourned at 7:29pm.

Mayor *pro tem* Frey reconvened the Regular Session at 7:35pm. Council members Schwarz, Bellm, Nicolaides, and Frey were present. Mayor Michaelis was absent. Also present were City Manager Latham, City Attorney Long, Directors Cook, Gillespie, Imming, Korte, Peck, Rosen, Schoeck, and Kim, Chief Bell, Chief Bloemker, EMS Coordinator Rusteberg, Sergeant Steinbeck, Deputy City Clerk Hediger and City Clerk Bellm.

NEW BUSINESS (*Continued*)

Discussion – FY 2015-2016 Annual Budget:

Police Department

City Manager Latham reported, in the past year, the new communications tower was built and we purchased new software for communication, so that all departments can communicate effectively with one another and with other law enforcement agencies outside of Highland. Chief Bell stated we hope to have the communications system up and running by the end of the month. Director Cook has been instrumental in getting fiber over to the departments. All the new equipment is digital, and we have been meeting with the vendor to train us on the equipment, already. Director Cook explained we kept their fiber separate from the rest of the fiber runs, so it is more protected and secured. In the upcoming budget year, the department will complete the software implementation. \$45,000 has been budgeted for

replacement of one patrol vehicle and one investigation vehicle; \$24,000 for in-car camera/video system upgrades, and computers for all cars.

EMS

79-80% of revenue is dedicated to O&M. There are no major expenditures planned for the next budget year. Most of the equipment EMS is purchasing is minor equipment, with \$20,000 budgeted for a refurbished cardiac monitor. Councilman Nicolaides asked how many ambulances we presently have. Tim Rusteberg reported there are four in operation. The oldest is close to eighteen years old; the next one is sixteen years. Our method has been to set aside funds each year towards the purchase of a new one.

Fire Department

City Manager Latham reported a lot of the budget will go into training this year. We have a young staff and we want to get them the appropriate training. The rest is minor equipment.

Electric Department

City Manager Latham reported there are a couple of major projects going on for the Electric Department. During the outage in August, we found a couple of issues. The control panels on the generators need to be replaced, to improve reliability and in order to fire things up if we lose power transport into Highland. (Budgeted costs \$365,000) We will be installing all the electric lines underground along Sportsman Road. We plan to expand deploying 400 more smart meters towards the Smart Grid system. Councilman Schwarz asked how many smart meters would we need to cover all the customers. Director Cook responded 6600. Councilman Schwarz inquired what is the payback. Director Cook stated we have not itemized that yet. The advantage of these meters is that we do not have to roll the truck to reset power or do a manual meter read for a new customer. Councilman Schwarz asked how much does it cost to roll a truck. Director Cook replied \$150 minimum, he added, this saves on the meter reconnects when residents switch out. These also tell us when someone has pulled a meter or done something with the power source at that location, so we are more proactive. We are looking at starting with more transition properties first, so get the most on payback.

Councilman Frey noted when we had the power outage, last August, we reached out for assistance and got nothing. Has there been any changes? Director Cook stated that event was a “perfect storm”. It was the hottest night of the year and a fire in substation. Up north, Ameren had their own problems with a fire in a substation and other things. We are looking at switching out the control panels on the generators, which will allow us to fire up the generators for our own use. We have reached out to Southwest Electric, but we are not getting much in feedback. IMEA is still working with Ameren, but there is no guarantee. There is the option to purchase options for emergency situations, but there is no guarantee, it is dependent upon Ameren having the power available.

Councilman Schwarz noted we receive calls about getting power cheaper from other sources. How do our rates compare to others? Director Cook responded with new regulations being passed and the power rate adjustments, we will be really close in rates. With EPA regulations, if they start shutting down the coal plants, power on the grid will cost more. IMEA is at 10% level with green energy sources. Federal EPA regulations are that providers must be at 4% on green sources, so we are ahead of the regulatory requirements.

Fiber Department

City Manager Latham reported we are continuing expansion on the south side of the community, which will generate more customers. IT Director Angela Imming stepped in and got everyone on the phone on Friday, to discuss the issues with the set top boxes. With changes to the configuration within the cabinet, it seems our issues with the set top boxes has been resolved. Director Imming explained

these set top boxes could be used with the coaxial cable that other providers have left behind. City Manager Latham stated what we are proposing for HCS, in the next budget year, is fine-tuning the headend and utilizing the capital equipment that we have. We are kind of holding off on expanding the existing footprint to see how we do with the cabinet areas that we have. Councilman Schwarz asked what areas we would have left to expand into. City Manager Latham explained we have not expanded north of Route 40, so that leaves the subdivisions of Augusta Estates, Prairie Trails and Lakeview Hills not serviced within city limits on the north side. We are down to First Baptist Church and at Faith Countryside on the west side of Poplar Street, on the south side of town. This next year, the focus will be on marketing in the areas we are in. Our saturation rate is 42%, currently, in these areas. We have a meeting with local channels Fox 2, KMOV, and KSDK for cost of rebroadcasting. Our estimate is that this is approximately \$1.50 per user. Director Cook explained, while we are not sure of the usage of these channels or other channels, we try to tier channels into different tiers so that the users are paying for the premium channels. Director Imming explained each channel eats away at the programming. I think we could come up with a way of finding out what channels are viewed as compared to passed through. Right now, Minerva middleware does not provide a lot of information on the usage of the various channels. An option is to get with all the vendors and find out what they can do for us.

Councilman Schwarz pointed out that a lot of the revenue would be in hooking up commercial accounts. How are we doing in that market? City Manager Latham reported we have contracts with San Gabriel Memory Care and TriFord, and we are working on Steve Schmitt. Right now, we are working on getting phone issues addressed. IT Director Imming reported I have started working on a resource management program of what we have and are missing in HCS. She stated we are not fully staffed, but the sky is not falling. We just need to do some realignment and defining of roles. City Manager Latham pointed out that telecommunications is not just a service. Over the next couple of years, you are going to see a huge benefit to the school system and economic growth areas of the community. Director Cook stated the fact that we are considered an advanced community, because of our HCS program, has put us in the final round for consideration of a solar farm. Director Imming stated if we can stabilize this by reaching out to people to resolve issues, it will get others to take advantage of these services. City Manager Latham concurred we need time to tighten up on the technological issues. Director Imming acknowledged we have some maintenance housekeeping issues. I want to say we are not adequately staffed, but I am not sure where they are going to come from. Councilman Schwarz asked if we need one more person, what does that do to the figures. Councilman Nicolaides pointed out we are still overcoming some of the issues we had starting up. Director Imming acknowledged we do not have rock solid philosophies and technology to reach efficiencies. I am still in the process of reviewing the operation and resources. I believe there are procedures that need to be put into place to run operations more efficiently; however, I am not prepared at this time to discuss all of these yet. City Manager Latham added we have other providers that we need to review contracts on and make sure we are getting the best service at the best value.

Councilman Schwarz asked why is the budget not projecting the same increases in revenue for 2017-2018 and beyond. Finance Director Kelly Korte responded if we do not build out, then we do not continue growth at the same rate. Director Cook reported we have made changes in staff. There are also technology issues changing, and we are setting up procedures and practices that will save us capital costs, staffing resources and troubleshooting issues. Director Korte pointed out, if you look at 2017-2020, if we did not have the bond payment, we would be covering our costs and have the funds to build out.

Councilman Schwarz asked if the revenue for the next year is realistic. Director Korte replied yes. We are hitting our revenues marks. Councilman Schwarz asked does the cost side anticipate the addition of one staff member. City Manager Latham responded, right now, we are teaming up. When we come to the council with a proposal, you will see that all aspects have been covered.

Councilman Schwarz made a motion to adjourn; seconded by Councilwoman Bellm. Roll Call Vote: Schwarz, Bellm, Nicolaides, and Frey voted aye, none nay. Motion carried and meeting adjourned at 8:31pm.

Rick J. Frey, Mayor *pro tem*

Barbara Bellm, City Clerk